



INTER-DEPARTMENTAL POLICY AND PROCEDURE

Policy Number: PU-109
Creation Date: 03/16/2010
Revised Date: 3/25/2022
Sunset Date: 3/25/2027

PROCUREMENT OF PROFESSIONAL SERVICES AND CONSULTING

PURPOSE

To document policy and procedures for the procurement and engagement of professional services, such as accounting, planning, architecture, landscape architecture, land surveying, engineering, real estate appraising, medicine, consulting etc., in accordance with the laws of the State of Texas. Selection of firms under this policy are based on competence and then a price can be negotiated with the highest rated firm.

BACKGROUND

Texas law specifically exempts contracts for Professional Services from the competitive bidding requirements as identified in:

- [Texas Government Code, Chapter 2254 - Professional and Consulting Services](#)
- [Texas Local Government Code, Chapter 252](#)
- [Texas Government Code, Chapter 2269- Contracting and Delivery procedures for construction projects](#)

This policy is in accordance with Employee Policy Manual, Section 3.01 – Employee Ethical Conduct found on SLIC.

DEFINITIONS

- **Professional Services** - Services that involve labor and skill which are predominantly mental or intellectual, rather than physical or manual, and include members of disciplines requiring special knowledge or attainment, including Attorneys, Planners, Accountants, Architects, Land Surveyors, Physicians, Optometrists, Engineers, Real Estate Appraisers, and similar professions.
 - **Public Infrastructure**– a contract for constructing, altering, or repairing public infrastructure or carrying out or completing any public infrastructure work. i.e. Architecture, Landscape Architecture, Engineering, Land Surveying.
 - **Other** – Accounting, Medicine, Optometry, Nursing, Real Estate Appraisal.

- **Not Listed** – services that the City has used at its discretion; including but not limited to legal or planning services.
- **SLIC:** Sugar Land Information Central. The City’s intranet site.
- **Personal Services** - services performed personally by an individual contracted to perform them and the compensation in the contract should mainly pay for the labor of the individual providing the service.

SCOPE

This policy and procedure shall apply to all City purchases involving the use of outside professional services. This policy does not apply to procurements where price is a factor in the decision process or for services that do not qualify under Chapter 2254 of the Texas Government Code. For those procurements please reference the appropriate policy and procedure based on type of procurement (competitive bid, request for qualifications, request for proposal, etc).

PROCEDURES & RESPONSIBILITIES

Professional services and consulting providers shall be selected on the basis of demonstrated competence and qualifications to perform the services, and for a fair and reasonable price.

- A. Prequalification: Public Infrastructure & Engineering Capital Projects Only
 - 1. Vendors shall be prequalified through a Request for Qualifications process completed by the Engineering Department at least once every 3 years.
 - 2. Qualified vendors are entered in a database of qualified professional service firms and consultants.
 - 3. Firm qualification updates will be allowed on a quarterly basis.
 - 4. The Engineering Department will maintain a list of pre-qualified vendors for professional services and consulting services strictly for public infrastructure projects as defined by this policy.
- B. Non-Public Infrastructure Projects: initiating department will select a firm from a pre-qualified list developed by using an informal Statement of Qualifications (SOQ) or Request for Qualifications (RFQ) process.
- C. Procurement - all professional services:
 - 1. Scope of Services:
 - a. Requesting department shall prepare a statement of work (SOW) / project charter that completely describes the contractual work requirement.
 - b. A clear and concise SOW / charter is essential to establish performance standards, provide contractors with a basis of estimate and to communicate effectively.
 - 2. Determine Insurance Requirements:

- a. The requesting department shall determine the insurance requirements for the service being purchased in accordance with [PU-112 – Insurance Requirements for all Contracts and Agreements](#).
 - b. If it is determined that there are contractor insurance requirements, the requesting department shall include them in all solicitations and as an attachment document to the contract in Munis when routed for approval.
3. Develop Statement of Qualifications (SOQ) / Request for Qualifications (RFQ)
 - a. Requesting department shall prepare an appropriate formal solicitation document which shall include, at a minimum:
 - i. Time, date and location for receipt of qualification statements.
 - ii. A general description of the types of services to be performed.
 - b. Responses to the SOQ / RFQ should include:
 - i. Demonstrated experience to perform work of a similar nature and, if applicable, knowledge of the area.
 - ii. Minimum of three (3) current references.
 - iii. Resumes of the firm’s team that will be actively involved in the project.
 - iv. A brief history and description of the firm including manpower commitments, current workload, etc.
 - v. If applicable, work previously performed by the firm on behalf of the City.
 - vi. Location of the firm and principal office from which the work will be performed.
4. Evaluation:
 - a. Evaluation criteria must be reviewed by Purchasing prior to the SOQ / RFQ being published.
 - b. Upon receipt of Statement of Qualifications, an established evaluation committee coordinated by Purchasing will rank the firms based on the weighted criteria as outlined in the SOQ / RFQ ([Attachments J – RFP / RFQ Evaluation Instructions & Processes](#)).
 - c. Presentations/interviews are optional but encouraged, and may be requested of the top rated firms, typically (3) three.
 - d. References of the top ranked firms shall be checked as necessary prior to final award.
5. Vendor Selection:
 - a. Amounts up to \$50,000.00:

- i. Public Infrastructure Projects: a representative from the initiating department will work together with the Engineering department during the selection process.
 - ii. Non-Public Infrastructure Projects: initiating department will select a firm using an informal Statement of Qualifications (SOQ) or Request for Qualifications (RFQ) process.
 - b. Amounts \$50,000.01 - \$250,000.00:
 - i. Public Infrastructure Projects: The Engineering Department working with initiating department will select a minimum of three (3) firms from the list of pre-qualified providers of professional services and/or consultants.
 - ii. For Non-Public Infrastructure Projects: If a pre-qualification list does not exist, the initiating department will follow a formal Statement of Qualifications (SOQ) or Request for Qualifications (RFQ) process.
 - c. Amounts More than \$250,000.00:
 - i. Professional services costing more than \$250,000 shall require a formal Statement of Qualifications (SOQ) or Request for Qualifications (RFQ) process.
 - d. All contracts for competitive sealed bids or competitive sealed proposals of \$50,000.00 and over are awarded by City Council per [PU-105 Purchases and Contracts for over \\$50,000](#)
- 6. Criteria:
 - a. RFQ / SOQ process will include the development of a written request that either focuses on the qualifications of the firm to perform work similar to that identified in the initiating department's scope of work or requests detailing how a firm will approach a specific project.
 - b. Criteria for evaluating proposals should be expansive and quantifiable enough for the evaluation committee to clearly determine which firm is the most capable.
- 7. Exceptions:
 - a. Requesting departments may, at their option, initiate a formal RFQ / SOQ process for any project regardless of value.
 - b. Conversely, there may be instances where the fee for a contract may exceed \$250,000 and it is not in the City's best interests in terms of cost, time or other factors, to proceed with a formal solicitation process.
 - c. Departments requesting to be exempted from any of the contracting processes set forth in this policy will be required to have the approval of Purchasing in advance of initiating any contract negotiations.

- iii. Is the knowledge of the service providers' generally acquired through years of advanced schooling?
 - iv. Are the service providers licensed by the state?
 - v. Is the majority of work produced by professional rather than lower level staff?
- c. Departments may request that Purchasing consider classifying other services not specifically listed under Section 2254.002(2), Government Code as professional services.
 - d. Requesting department shall submit a memo to Purchasing justifying their request for consideration by Purchasing. Purchasing will evaluate the memo and make a determination; if the requesting department is not in agreement with the decision, they may appeal to their Executive Team Member for the final decision. The Executive Team member will make the final decision as to whether the services are professional services.
 - e. If approved as a professional service, the initiating department may determine the method of procurement that is best. These approved professional services are not covered by Chapter 2254 and as such may choose the best method for identifying and contracting with the most qualified vendor.

ACCOUNTABILITY

The Purchasing Office is responsible for the review and/or revision of this policy. Review and/or revision shall take place, at a minimum, every two years after the Legislative Session ends and upon notification of any changes that may affect the City's daily operations.

ENFORCEMENT

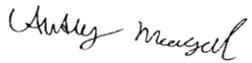
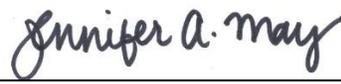
City staff is responsible for ensuring that this policy is adhered to. The Purchasing Office is responsible for monitoring and enforcement. Nonconformance with this policy, and the Texas Local Government Code or Texas Government Code, can result in disciplinary action up to and including termination, depending on the scale of the violation.

If a contract is made without compliance with chapter 252, it is void and the performance of the contract, including the payment of any money under the contract, may be enjoined by: (1) any property tax paying resident of the municipality; or (2) a person who submitted a bid for a contract for which the competitive sealed bidding requirement applies, regardless of residency, if the contract is for the construction of public works.

POLICY HISTORY

- 2010: Policy created.
- 2018: Procedures were updated through an interdepartmental review team.
- 2019: Policy was transferred to the new template and updated to reflect current practices.
- 2022: Policy review finalized after a delay due to COVID-19 and updated to reflect processes in Munis.

SIGNATURES

DEPARTMENT SPONSOR:		DATE: <u>3/25/2022</u>
	Jennifer Brown, Director of Finance	
OTHER DEPARTMENT APPROVALS:	Director Name, Department Name	DATE: _____
POLICY COORDINATOR:		DATE: <u>03/29/2022</u>
	Anthony Madrigal	
DEPUTY CITY MANAGER:		DATE: <u>04.04.2022</u>
	Jennifer May	
CITY MANAGER:		DATE: <u>4/8/22</u>
	Michael W. Goodrum	